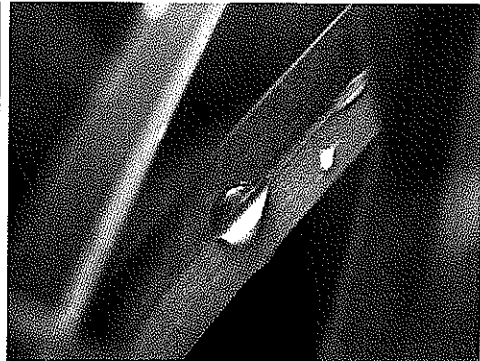
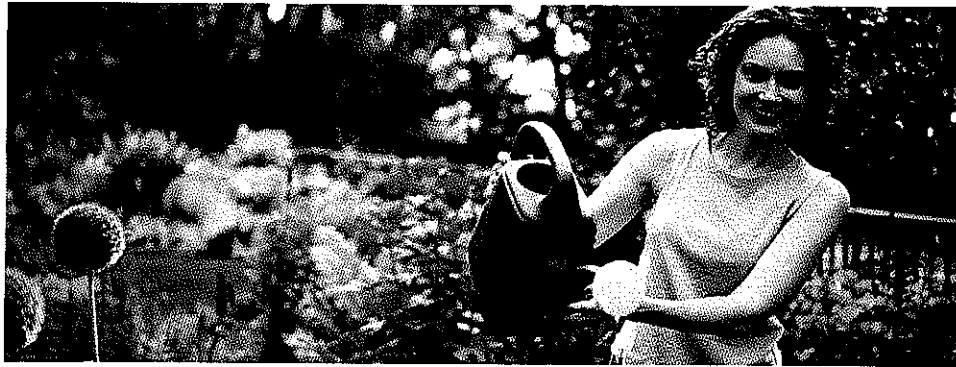


## The Scotts Miracle-Gro Company: The Global Leader in Lawn & Garden



Scotts

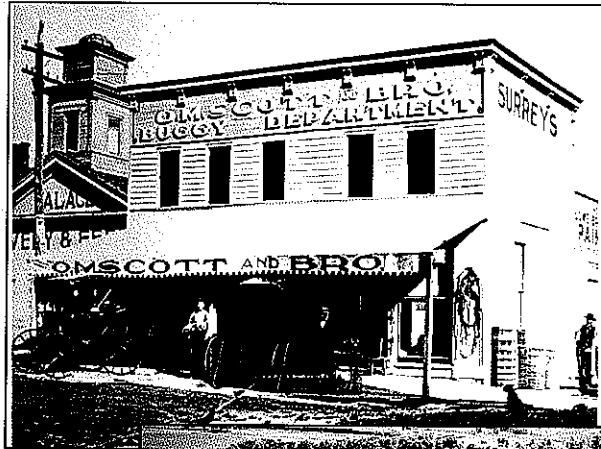
Miracle-Gro

Ortho



# Understanding ScottsMiracle-Gro ...

As one of America's oldest companies, we have become a committed and trusted friend of gardeners worldwide



1868



2012

## Steeped in history ...

- Founded 1868 in Marysville, Ohio
- America's first lawn and garden company
- Two family legacies merged in 1995

## Our founders

OM Scott:  
Shop keeper and  
Civil War veteran



Horace Hagedorn:  
Advertising and  
marketing innovator



**ScottsMiracle-Gro**

redefining *Leadership*

## Our Business in Michigan and Our Company Today...

- **Associates in Michigan**
  - 48 Growing Media plus 42 seasonal associates, 71 Scotts Lawn Service, 11 Sales Associates plus 94 Merchandisers
- **Michigan Growing Media operations support regional distribution of soil and mulch products**
- **Scotts Michigan Growing Media Production:**
  - 9.6 million units or 9,800 truckloads of soil and mulch are produced annually
  - 50,000 to 80,000 cubic yards of composted yard waste are used annually.
- **\$35,000,000 in Growing Media sales expected in 2012**
  - 62% of sales are in southeast MI and 80% within the entire State of MI.
- **Global sales of \$3+ billion, largest market share in almost every consumer category, industry-leading innovation, key retail partners: Home Depot, Lowe's, Wal-Mart and Meijer**



## Concerns with HB 4265 and HB 4266

Legislation allows Yard Waste to be landfilled, if the landfill recovers methane gas for energy production.

### Concerns

- Allowing yard waste to be landfilled will eliminate one of the components needed to produce Organic Compost, presently produced locally at a number of independent and privately operated compost facilities in southeastern Michigan that provide this valuable material to Scott's facility in Imlay City.
- Disruption to Scotts' raw materials stream in Michigan would effect the Imlay City facility's cost and distribution structure.
- At a minimum, Scotts will need to seek new raw material streams, which will likely come from outside Michigan, as a result of the legislation.
- If the additional raw material shipping costs make the Imlay City plant impractical for growing media production, production will shift to plants in other states and may justify moving the plant out of state.

## Concerns with HB 4265 & HB 4266

### Concerns

- Landfills can, and already successfully do, harvest methane gas from existing waste disposed of in landfills. Organic compost production in the Midwest depends on sufficient supply of yard waste. Enabling the landfilling of yard waste will significantly negatively impact one industry to marginally benefit another.

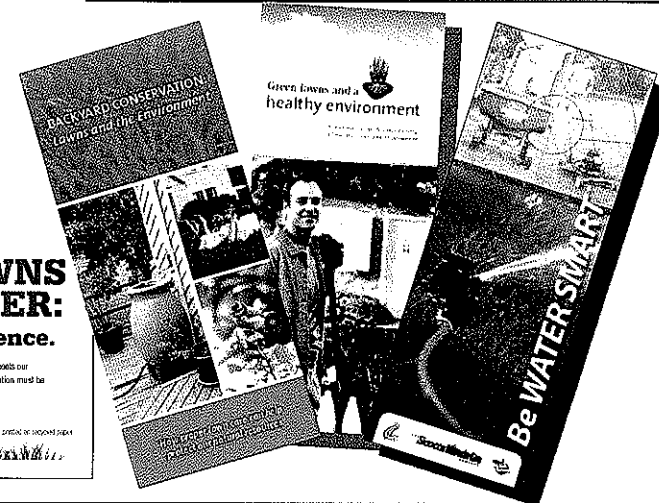
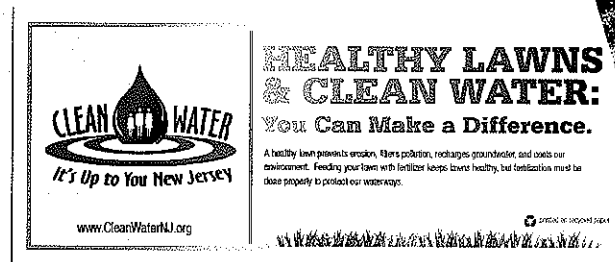
### Our Recommendation

- Stop legislation.
- Strengthen Michigan public policy and public-private partnerships to increase yard waste composting efforts.



National Association of Conservation Districts

**conserving  
natural resources**  
*for our future*



# Questions

**Please contact us with any questions or information requests that may assist you.**

Mike Shelton  
Manager, Government Relations  
[mike.shelton@scotts.com](mailto:mike.shelton@scotts.com)  
937.367.9916

John N. Smith, III  
Director, Growing Media Operations – Midwest Region  
[john.smith@scotts.com](mailto:john.smith@scotts.com)  
810.724.2875